



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH DEVELOPMENT AND ACQUISITION
103 ARMY PENTAGON
WASHINGTON DC 20310-0103

24 AUG 1995



REPLY TO
ATTENTION OF

SFRD-KP

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Simplified Acquisitions and the IMPAC Credit Card Program

Several discussions with Army IMPAC Program Coordinators regarding the effect of the Federal Acquisition Streamlining Act (FASA) on the IMPAC program have surfaced areas needing additional clarification and guidance.

The single purchase limit for nonprocurement personnel is the micro purchase threshold; i.e., \$2,500. Sixty-eight percent (68%) of the Army's FY 1994 contract actions were valued at or below this threshold. The IMPAC Credit Card provides an excellent tool which we in the contracting community can use to leverage our declining resources. The program may be used to provide non-procurement personnel with the authority to make micro purchases, thereby relieving the contracting function of repetitive and relatively simple but time-consuming procurements.

Procurement personnel with appropriate training and experience may be authorized to use the card up to \$50,000 (\$100,000 at FACNET-certified activities) for payment purposes when all statutory and regulatory requirements are met. Requirements such as contract reporting (FAR Part 4), publicizing (to include posting) (FAR Part 5), required sources (FAR Part 8), competition, small business reservation, and use of contract clauses required by statute (FAR Part 13) apply to all procurements over \$2500 made using the card.

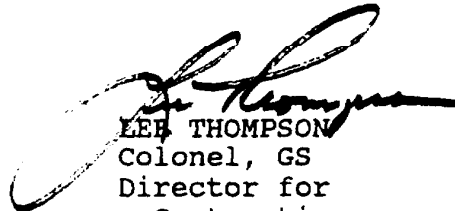
Remember, at or below \$2,500, the card is being used as an authorized procurement method because FASA waived numerous statutory requirements, and the implementation of FASA in the FAR waived some regulatory requirements. Over \$2,500, the card is only a payment method because those numerous statutory and regulatory provisions still apply. Therefore, for buys over



\$2,500 a simplified acquisition procedure authorized by FAR Part 13 (e.g., FACNET, or DD 1155) must be used in conjunction with the credit card payment transaction.

The card may also be used to place calls or orders, up to the simplified acquisition threshold, under existing contracts or agreements (BPAs, Requirements Contracts, and GSA Schedules) that include the required statutory and regulatory requirements.

Contracting offices shall not issue IMPAC cards to contractors. If contractors working on cost type contracts request cards, forward their requests to Rocky Mountain BankCard System. While the IMPAC program offers many benefits and can further streamline the current acquisition process, the Army's intent is to maximize these benefits through use of the card on micro purchases. Judicious and proper use of the card for purchases over the micro purchase threshold is essential.


LEE THOMPSON
Colonel, GS
Director for
Contracting

DISTRIBUTION:

Acting Chief, Assessment & Evaluation Division
HQ, U.S. Army Materiel Command, ATTN: AMCAQ-E,
5001 Eisenhower Avenue, Alexandria, VA 22333-0001
Deputy for Acquisition, U.S. Army Armament, Munitions
and Chemical Command, ATTN: AMSMC-DP, Rock Island,
IL 61299-6000
Executive Director, Acquisition Center, U.S. Army
Aviation and Troop Command, ATTN: AMSAT-A-Z, 4300
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Communications-Electronics Command, ATTN: AMSEL-AC,
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35898-5280